

Last week, published reports surfaced that the ongoing negotiations between BP and the U.S. Justice Department to determine fines and penalties related to the 2010 Gulf oil spill have taken a bizarre turn.

Rather than advocating on behalf of the victims of the unprecedented environmental disaster – coastal communities in the five Gulf states – the Obama administration could be cutting a deal that allows BP to write off much of the fines as a tax deduction. What's more, the bulk of the penalty collected by the federal government would essentially be walled off from local control to be doled out as the administration sees fit – in direct conflict with the RESTORE Act.

Over a year ago, Gulf Coast lawmakers joined efforts in both Houses of Congress to craft legislation that would ensure the majority of penalties paid by BP and other parties responsible for the 2010 oil spill are directed to Alabama, Florida, Louisiana, Mississippi and Texas. Under the RESTORE Act – which passed Congress in late June and was signed by President Obama in early July – 80 percent of Clean Water Act fines would go to the Gulf Coast Restoration Trust Fund to be divided among the five Gulf states for local economic and environmental restoration.

The bicameral bipartisan teamwork that forged the RESTORE Act was remarkable given the political differences that have prevented Congress from passing much significant legislation over the last two years. Democrats and Republicans alike – from the east and west coasts and in between – gave their support to RESTORE. The enactment of the landmark legislation also gave hope to communities from Texas to the Florida panhandle that they would finally be made whole after the worst offshore oil spill in American history ravaged our shorelines just two short years ago.

Last week, news broke that the Justice Department was finalizing a deal to disproportionately divert most of the potential fines into a new pot (National Resource Damage Assessment, "NRDA"), which the Obama administration would control. The remainder would flow into a smaller pot (Clean Water Act, "CWA"), from which the RESTORE Act would be funded. The potential loss of fine money flowing to our coastal communities could be significant as total fines collected are predicted to range from \$5 billion to \$20 billion.

The Justice Department's 11th hour end-run around the Gulf Coast states is not only an affront to the intent of Congress, which strongly endorsed the RESTORE Act, but it is also a blatant act

of hypocrisy from an administration that has repeatedly attacked tax breaks for oil companies. How can it justify allowing BP tax write-offs for fouling the Gulf?

Last week, I initiated a letter to Attorney General Eric Holder – which was signed by other Gulf Coast lawmakers, including Senator Jeff Sessions – strongly objecting to Justice Department efforts to shortchange the RESTORE Act. "...We are in the strongest possible terms opposed to any settlement agreement that disproportionately applies penalties to NRDA over CWA. Any attempt to do so would be viewed as an effort to circumvent the will of Congress and the President, and the enacted formulas and procedure agreed upon in public law under the RESTORE Act," our letter states.

Unemployment Drops:

The new national unemployment figure came out Friday, reflecting a 0.3 percent drop from August to September. The 7.8 percent jobless rate was surprising given the relatively tepid number of new jobs reported over the last month. A more accurate picture of the nation's unemployment situation is 14.7 percent, which includes both those looking for work and those only working part-time. It has been three and a half years since the jobless rate was 7.8 percent. Were it not for the threat of higher taxes and more costly government regulations, businesses could have already created many more jobs.

New Bonner Aide for Baldwin County:

I am pleased to announce that Allison Clark of Foley is my new Baldwin County field representative. Allison replaces Bryan Parker who has served as my Baldwin County representative for the last five years. Bryan recently left our office to work in economic development for a state energy company.

A Baldwin County native, Allison brings five years' experience working in our office as a constituent services representative. Allison can be reached in my Foley office at 251-943-2073.

I am also pleased to announce that my other long-time field representative, Frazier Payne, will expand his duties this month to include Monroe and Escambia counties. Frazier also represents me in Mobile, Clarke and Washington counties. Frazier can be reached in my Mobile office at 251-690-2811.

My staff and I work for you. If we can ever be of service, do not hesitate to call my office toll free at 1-800-288-8721.

For release: October 8, 2012